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OPERATIONAL ACTIVITIES OF THE UNITED NATIONS FOR INTERNATIONAL DEVELOPMENT COOPERATION

Triennial policy review of operational activities for development within the United Nations system

Note by the Secretariat

1. By its resolution 47/199, paragraph 55, the General Assembly requested the Secretary-General to submit to the Assembly at its fiftieth session, through the Economic and Social Council, a comprehensive analysis of the implementation of the resolution and to make appropriate recommendations.

2. The annex to the present note is a first step in response to that request, conveying information collected through various questionnaires and a limited number of country review missions.

3. Following consultations with the Bureau and members of the Economic and Social Council, it was decided that in view of the late receipt of responses from important sources, particularly recipient countries, the present note should be of an interim nature, to be finalized following the operational activities segment of the Council's substantive session of 1995. The Secretary-General's final report will thus be issued in time for the triennial comprehensive policy review to be undertaken at the fiftieth session of the General Assembly. It will contain the recommendations of the Secretary-General and will take into account the preliminary consideration of the matter by the Council, as well as additional responses received from countries.

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4. A particular concern in preparing this review was to use a methodology which would lead to an objective, factual and accurate picture of the implementation of General Assembly resolution 47/199. To ensure that coverage was as broad as possible and to have views from all the principal partners, heavy reliance was placed on the mailed questionnaire method. Starting from the provisions of Assembly resolution 47/199, targeted questionnaires were prepared, in consultation with the organizations of the United Nations system, destined to four different sources: recipient countries, major donor countries, the resident coordinator system at the country level, and the organizations of the United Nations system at their headquarters. Based on the experience gained from the current review, it would be advisable to ensure adequate funding for future reviews at the start of the exercise in order to allow for a greater number of independent and in-depth country missions.

5. For the present analysis, the following response levels were achieved: 109 responses from the resident coordinator system (stress was placed on ensuring that the responses were prepared in consultation with United Nations system field representatives); 15 responses from recipient countries; 8 responses from major donor countries; and 26 responses from organizations of the United Nations system. In addition, country review missions were carried out in 14 countries. All organizations of the United Nations system were invited to participate in these review missions, and in addition to the United Nations, various missions were composed of representatives from the Food and Agriculture Organization of the United Nations, the International Labour Organization, the United Nations Educational, Scientific and Cultural Organization, the United Nations Industrial Development Organization, the United Nations Development Programme and the World Health Organization.

6. The information contained in the annex covers improvements achieved by the United Nations system at the country level in the areas of operational activities covered by General Assembly resolution 47/199 and its predecessor, General Assembly resolution 44/211. In this connection, it may be recalled that previous reports to the Economic and Social Council in 1993 (E/1993/73) and 1994 (E/1994/64), and their addenda, provided information on progress on many fronts, including progress at the intergovernmental level by practically all bodies of the United Nations system concerned with development cooperation. These reports revealed a system-wide effort in the implementation of General Assembly resolution 47/199 at various levels.

7. As part of this effort, the Secretary-General decided, in July 1994, to request the Administrator of the United Nations Development Programme (UNDP) to assist him in ensuring policy coherence and enhancing coordination within the United Nations in the economic and social and related fields. He further decided to entrust the Administrator with overall responsibility for assisting him in improving the coordination of operational activities for development, including the strengthening of the resident coordinator system.

8. At the inter-agency level, the Consultative Committee on Programme and Operational Questions (CCPOQ) has taken numerous steps on behalf of the Administrative Committee on Coordination (ACC) to address the implementation of General Assembly resolution 47/199, as described in more detail in section D of the annex. At the level of the United Nations funding programmes and agencies,

the Joint Consultative Group on Policies (JCGP), which comprises UNDP, the United Nations Children's Fund (UNICEF), the World Food Programme (WFP), the United Nations Population Fund (UNFPA) and the International Fund for Agricultural Development (IFAD), took concrete action on some specific issues which have been reported on annually and which are summarized in section C of the annex.

9. Other consultative arrangements exist for specific areas that have a substantive bearing on operational activities, including such areas as sustainable development, HIV/AIDS, nutrition and the programmes of action for Africa and the least developed countries. At the level of individual organizations, a number of initiatives have been taken, as reported annually in accordance with paragraphs 51 and 54 of General Assembly resolution 47/199. The effects at the country level of these various levels of action are reviewed through the methodology just described.

10. In accordance with paragraph 55 of General Assembly resolution 47/199, the Secretary-General will submit the final report to the General Assembly at its fiftieth session. The report will also contain policy recommendations.

Annex

CONTENTS

		Paragraphs	Page
A.	Changing trends in operational activities for development	1 - 36	5
B.	Programme development and implementation	37 - 105	15
	1. Country strategy note	37 - 62	15
	2. Harmonization of programming cycles	63 - 66	24
	3. Programme approach	67 - 86	25
	4. National execution	87 - 105	30
C.	United Nations system coordination mechanisms at the global level in support of country action	106 - 126	35
	1. Consultative Committee on Programme and Operational Questions	106 - 117	35
	2. Joint Consultative Group on Policy	118 - 126	37
D.	Resident coordinator system	127 - 155	39
E.	Programme support	156 - 196	45
	1. Decentralization and delegation of authority	156 - 163	45
	2. Simplification and harmonization of procedures	164 - 168	46
	3. Accountability: monitoring, evaluation and audit	169 - 185	47
	4. Common premises and common services	186 - 196	50

A. Changing trends in operational activities for development

Changing context

1. The operational activities for development within the United Nations are in a state of transition. Responses received from Governments and United Nations organizations have dealt with the changing context in some detail, as it has a vital bearing not only on the progress made but also on the prospects for the future. The broad consensus is that developing countries' capacities still require selective strengthening in order to achieve greater self-reliance. The United Nations system recognizes that this needs to be done in new and more effective ways to promote a coordinated response which is fully integrated with national priority programmes. Current reforms build on the strength and comparative advantage of operational activities in all recipient countries. They continue to be sensitive to national requirements and are characterized by their universal, voluntary and grant nature, their neutrality and multilateralism, and their ability to respond to the needs of the developing countries in a flexible manner.

Reach and range of operational activities

2. In the past five years, the United Nations system operational activities have extended their geographical reach to include the Commonwealth of Independent States and Central Europe. The United Nations Development Programme (UNDP), for example, now operates in 170 countries with over 130 offices. The functional ambit of operational activities has widened in response to requests by recipient countries, involving in addition to the transitional concerns of operational activities, greater support in national reconstruction, the continuum of relief and development, public administration reform, disaster management, drug control, human rights and support for institutional reforms. The changing reach and range of operational activities is a reflection of the changing demands of recipient countries.

New directions and new demands: a changing portfolio

3. Increasingly, developing countries are shifting their demands for United Nations system held from technical assistance for isolated projects towards programme modalities that emphasize United Nations system support for national goals and strategies, around which the United Nations system inputs are mobilized in a flexible manner. The new demands also bring together policy-making, normative analysis and technical cooperation. They require both capital and technical cooperation and blur the borders between economic, social and environmental factors.

Recent shifts in operational activities

4. Many United Nations system organizations and resident coordinators indicated that there are more requests for upstream policy advice, strengthening the utilization of human resources, facilitating access to foreign skills and technology, help in the design and implementation of programmes, and projects in areas identified jointly with the Governments. Demands for upstream

interventions in such areas as governance, public sector reform, the electoral process, management/coordination of external cooperation, strengthening key development institutions, and support in emergency/relief situations has shown a marked increase.

5. Nearly two thirds of the responses of resident coordinators singled out governance and reform of public administration as the areas for which United Nations system support was most frequently requested. This covers requests for the establishment of institutional capacity within the public sector, decentralization of public administration, legal reforms and judiciary reforms. Less frequently cited, at 40 per cent, resident coordinators identified social development, including human resource development, protection of the initiatives of vulnerable groups, poverty alleviation, development of social services and HIV/AIDS. Almost as many resident coordinators cited human rights protection, including police training and assistance in legislative development. This is in addition to the more traditional areas of operational activities.

6. Increasingly, the United Nations system is being asked to help Governments solve major problems that go far beyond the financial resources that it can make available. For operational activities the gap between aspiration and reality is large and widening. This leads, on the one hand, to calls from those Member States which finance operational activities, for a process of prioritization and, on the other hand, to calls from those who need and benefit directly from operational activities, for additional resources and continued flexibility in resource allocation so as to maintain the system's responsiveness to national priorities.

7. Few of the new tasks the United Nations system has been asked to address are exclusively "sectoral" in nature, and as such they are beyond the capacities of any one part of the system. So the new tasks tend to demand continued progress towards greater coherence, at least at the country level.

8. Resident coordinators indicated that, although technical cooperation is still the most important component of operational activities, it has shown a relative decline from 56 per cent in 1990 to 53 per cent in 1993-1994. The current percentages of technical cooperation as part of total operational activities in each region are: Latin America, over 70 per cent; Africa, 40 per cent; Asia and Eastern Europe, 58 per cent and 53 per cent, respectively.

9. Based on the analysis of information provided by the resident coordinators, table 1 indicates the expected trends in operational activities.

10. The resident coordinators also identified some new areas in which Governments have, since 1990, requested United Nations system support. The relevant data are summarized in table 2 below.

11. Resident coordinators have also given their assessment of the principal current problems that would continue to require United Nations system support. The relevant data are summarized in table 3.

Table 1. Trends in the main purposes of operational activities for development

(Percentage of resident coordinators that have indicated expectations for the specific trend)

Main purpose of operational activities	Likely to increase	Likely to stay constant	Likely to decrease
Provision of upstream technical and policy advice	73.3	24.8	1.9
Catalytic role in mobilizing resources for development cooperation	78.1	16.2	5.7
Provision of emergency food and other relief assistance	14.3	43.9	41.8
Strengthen key political institutions	55.3	40.8	3.9
Strengthen key economic and social institutions	77.4	22.6	0.0
Strengthen and utilize national human resources	75.2	22.9	1.9
Provide direct and budgetary support for national programmes	24.8	33.7	41.6
Facilitate access to foreign skills and services	33.7	50.0	16.3
Facilitate access to technology	50.5	45.6	3.9
Strengthen development programming and management practices	77.4	17.4	4.7
Design and implement programmes and projects in areas identified jointly with the Government	66.3	29.8	3.8
Provide analytical and assessed information (statistical data, research, etc.)	64.4	31.7	3.8

Table 2. Request by Governments for United Nations system support since 1990

(Percentage of resident coordinators by region and world wide which have indicated the corresponding area)

Possible areas of United Nations support	Africa	Asia	Latin America	Eastern Europe	Total
New actions in social development	35.6	38.2	45.0	37.5	39.4
Public administration reforms	57.8	55.9	90.0	62.5	63.3
Human rights	31.1	32.4	60.0	62.5	38.5
Electoral process	24.4	2.9	30.0	25.0	18.3
Environment	11.1	11.8	30.0	12.5	14.7
Economic reforms and management capacity	33.3	26.5	40.0	12.5	30.3

Table 3. Principal current problems that require United Nations system support

(Number of countries for which the corresponding type of problem is relevant)

Type of problems	Africa	Asia	Latin America	Eastern Europe	Other region	Total
Limited productive capacity and need for economic reforms	25	22	9	7	1	64
Poverty and social development needs	36	31	19	5	2	93
Environmental degradation	9	14	8	2	0	33
Inadequate institutional capacity	31	18	14	5	1	69
Political instability	8	7	5	3	0	23
Other	0	1	3	0	0	4
Total number of countries in each region	45	34	20	8	2	109

Least developed countries

12. A significant part of the operational activities are oriented towards the least developed countries in accordance with the criteria established by various intergovernmental bodies. Thus, for example, 55 per cent of the programmable resources of UNDP were oriented to this category of countries in Governing Council decision 90/34. The requirements of the least developed countries received special attention in the analysis of the data; all data were thus grouped into least developed countries and non-least developed countries as indicated throughout the report in the appropriate sections.

Economies in transition

13. The emergence of economies in transition as new recipients of technical cooperation, particularly in the areas of policy advice, institutional support and human resource development, necessitated new approaches suited to their particular development contexts. Over 62 per cent of the resident coordinators in Eastern Europe (more than in other regions) identified issues in public administration and human rights as areas for United Nations system support; 12.5 per cent identified economic reforms; and 25 per cent chose support to the electoral process.

Humanitarian aid

14. Complex emergencies are part of the challenges of development cooperation. According to data from the Development Assistance Committee (DAC) of the Organisation for Economic Cooperation and Development (OECD), emergency assistance and disaster relief, which consumed less than 3 per cent (US$ 300 million) of bilateral aid in the 1980s, consumed 8 per cent (US$ 3.2 billion) in 1993. Almost 40 per cent of official development assistance (ODA) channelled through the United Nations system is estimated to be targeted for humanitarian emergencies. According to the resident coordinators, emergency assistance increased from 20 per cent in 1990 to 25 per cent in 1994 in terms of expenditure in operational activities, the main increase occurring in Africa. Developing countries reported that the United Nations system provided assistance in designing and setting in motion national systems for monitoring and preventing disasters; workshops and seminars on management of natural disasters held under the auspices of the United Nations system have also been useful. Some noted that the United Nations system contributed to the creation of national capacities to integrate relief, rehabilitation, reconstruction and development and the utilization of external aid in this field.

Relationship with the Bretton Woods institutions

15. An important development is the trend towards enhancing the cooperation between the Bretton Woods institutions and other organizations of the United Nations system, in particular, in the areas of social development, environment and poverty elimination. The operational activities of the World Bank are now more focused on poverty elimination and increasing lending to the social sectors. UNDP and the International Monetary Fund (IMF) cooperate in the area of capacity-building.

16. The World Bank involvement in technical cooperation activities has steadily increased over the years and, in 1993, amounted to a total of US$ 3.1 billion, of which free-standing loans constituted US$ 646 million, rising from US$ 22 million in 1989. Technical assistance financed through the administrative budget rose from US$ 47 million to US$ 66 million in 1993. As an executing agency of UNDP, World Bank supported technical assistance increased from US$ 56 million in 1989 to US$ 64 million in 1993.

17. The importance of closer cooperation between the Bretton Woods institutions particularly the World Bank, and the rest of the United Nations system has been emphasized by both developed and developing countries. According to developed countries, the key to this cooperation is complementarity, with the United Nations system providing, through technical cooperation, added value to the major resource flows available from international financial institutions. The better developed and more experienced field presence of the United Nations system could provide valuable help to the international financial institutions in the planning and implementation of their programmes.

18. The views of developing countries are more mixed. While all countries desire and encourage greater cooperation, some countries are more sceptical than others about the programme cooperation between the United Nations system and the Bretton Woods institutions and are concerned that it might lead to new conditionalities and make the United Nations system grant resources more vulnerable to the restrictive policies normally attached to loans. Other countries are in favour of closer cooperation between the programmes and resources of the World Bank and the United Nations system. They see them as complementary and mutually beneficial. In some countries the relationship between the United Nations system and the Bretton Woods institutions is close and includes complementary roles in such critical areas as capacity-building and poverty elimination.

19. Some Governments have suggested establishing closer linkages between technical cooperation and financial assistance by setting up a modality whereby the United Nations system can become involved in the technical cooperation needs of infrastructure projects. They also believe that closer cooperation between representatives of the Bretton Woods institutions and the resident coordinators could lead to a more multidisciplinary approach to development issues. In their responses, 9 of 15 developing countries indicated that there is a need for greater integration of United Nations system technical cooperation and World Bank technical assistance, particularly for free-standing technical assistance unrelated to specific capital investment projects. With regard to the need for more substantive cooperation between the Bretton Woods institutions and the United Nations system, one country considered it to be essential, seven considered it to be useful and five to be of marginal utility.

20. Over 60 per cent of the resident coordinators emphasized the need to make fuller use of inputs of the United Nations system in the activities of the Bretton Woods institutions and of the activities of these institutions in programming operational activities. Sixty-two per cent of the resident coordinators indicated that there should be closer consultation between the Bretton Woods institutions and the United Nations system at the country level; 50 per cent were in favour of joint assessments and evaluation missions;

54 per cent favoured joint meetings with Governments; and 43 per cent supported formal memoranda of understanding between the organizations.

Table 4. Interface between the resident coordinator system and the Bretton Woods institutions

(Number of countries for which the resident coordinators expressed its significance and percentage of frequency)

Interface areas	Relevance		
	High	Medium	Low
Policy advice (public administration)	24 (25.8%)	39 (41.9%)	30 (32.3%)
Policy advice (economic and social issues)	37 (38.9%)	39 (41.1%)	19 (20%)
External assistance coordination	33 (34.4%)	43 (44.8%)	20 (20.8%)
Programme and project formulation	14 (14.6%)	51 (53.1%)	31 (32.3%)
Resource mobilization	14 (15.9%)	34 (38.6%)	40 (45.5%)
Security issues	34 (42%)	18 (22.2%)	29 (35.8%)
Emergency relief and humanitarian assistance	5 (6.8%)	19 (25.7%)	50 (67.6%)
Technical cooperation	26 (28%)	54 (58.1%)	13 (14%)
Programme and project implementation (including disbursement issues)	15 (17.2%)	39 (44.8%)	33 (37.9%)

21. The World Bank has indicated that it is prepared to cooperate with the United Nations system in the preparation of the country strategy note. According to the replies received from the resident coordinator system, close to 60 per cent identified close cooperation on the country strategy note and policy framework paper: 77 per cent from Africa, 47 per cent from Asia, 55 per cent from Latin America and 25 per cent from Eastern Europe.

22. An issue raised by some United Nations system organizations is how best to utilize their technical expertise in World Bank-assisted technical assistance. In this regard, 26 per cent of the resident coordinators considered interfacing between the Bretton Woods institutions and the resident coordinators as "significant" in technical cooperation, as compared to 58 per cent who considered it as "of some significance" and 14 per cent as "of little significance".

Upstream role

23. Some Governments, particularly in Latin America, Africa and Eastern Europe, are seeking support from the United Nations system on upstream matters. This trend appears to be influenced by a recognition of the interconnection of policies and programmes of assistance and the realization that a good policy framework is indispensable to the delivery of good projects. There is now a closer intersection of policies, normative analysis and technical cooperation, issues which were earlier considered as distinct. Countries are seeking United Nations system support to enable them to participate more actively in the global economic process, as well as to address their specific economic and social problems. Some of these countries face a plethora of problems arising from systemic transformation. They look to the United Nations system as a multilateral, neutral partner without an agenda of its own, which can provide policy help suited to their requirements.

24. The United Nations system's contributions in other countries, particularly in Asia and in more industrially advanced countries, is still focused on technical, increasingly technological, cooperation. Those countries perceive the United Nations system as a means to fill strategic needs to accelerate economic growth and to enhance competitiveness in the global market-place.

25. Some global objectives have been translated into national targets and goals by Governments in cooperation with United Nations system support. Developing countries have indicated that they are introducing global targets and plans into their sectoral policies and that concerned United Nations system organizations were helpful in this respect. Some countries and United Nations system representatives have noted that certain plans of action contain similar provisions and their coherent implementation might require greater harmonization and prioritization. Representatives of United Nations agencies in some countries have suggested that coordinated support for the implementation of these plans of action and facilitating their integration into the national context should be the collective responsibility of the resident coordinator system in support of the Government.

Role of science and technology

26. Some developing countries and most United Nations system organizations noted the growing importance of science and technology to development cooperation, particularly transforming technologies such as information technology and new materials. They expressed the view that the full potential of technology as an instrument of sustainable development had not been realized and that the tool of technology could help overcome such chronic problems as poverty, illiteracy and ill health. The resident coordinators have indicated that a slight increase in demand is expected on facilitating access to technology through the United Nations system; Asia appears to have the highest prospects in this regard, followed by Africa. Some United Nations system agencies, particularly the smaller technical agencies, have noted that the shift towards modalities such as the programme approach and national execution is diminishing opportunities for them to help to build the technological infrastructure which the countries need and which no other external sources are supporting.

Impact of adjustment programmes

27. Many recipient countries are undergoing some type of structural adjustment and this has influenced the role of operational activities. Thus, over 80 per cent of resident coordinators indicate that the countries in which they serve have undertaken an integrated set of policy reforms. Of these responses, 51 per cent consider that the global orientations of operational activities have been significantly influenced by structural adjustment policies and similar reforms. In terms of their impact, 62 per cent of resident coordinators consider that operational activities are complementary to adjustment programmes, whereas 58 per cent view them as mitigating and alleviating the spin-off from these policies and programmes. Some United Nations system agencies have indicated that they formulate specific programmes at the request of Governments to offset some effects of structural adjustment and other similar reforms.

Capacity-building

28. There is a growing awareness that efficiency, effectiveness and the impact of development cooperation and operational activities are largely a function of the capacity of a country to manage the development process and integrate development assistance into national context. The United Nations system operational activities in many countries include a variety of capacity-building programmes and projects, from public sector reform to project implementation.

29. The United Nations system in some countries is helping to construct a functioning Government and a coherent civil society. In some other countries, the United Nations system is engaged in helping countries to strengthen their capacities for aid coordination and strengthening the managerial capabilities of the coordinating ministries or similar organizations.

30. In the context of the new demands on operational activities, the capacity for policy connections between the different strands of political, economic, social and environmental factors has become important. The United Nations system's effort at capacity-building is now undertaken mainly by individual

organizations in relation to their respective mandates and focused primarily on their domestic counterparts. It includes both strengthening public administration and nurturing the civil society. Many parts of the United Nations system are now involved in capacity-building at the community level, promoting broad participation in development activities.

Resource situation

31. Official development assistance (ODA), which over the past 20 years, had remained stable, sharply declined for the first time, from US$ 60.8 billion in 1992 to US$ 55.9 billion in 1993. This trend probably continued in 1994, with serious implications for development cooperation in general and the United Nations development system in particular. Within this context, while, on the one hand, demand for the United Nations system assistance has increased dramatically, programmable funds available for supporting development cooperation activities have shown a decline, particularly for technical cooperation. As reported in the Secretary-General's report on funding of operational activities (A/48/940), core contributions to UNDP over the past 20 years have remained stagnant in real terms. More recently, Governing Council decision 90/34 called for an 8 per cent annual increase in contributions to UNDP core resources for the 1991-1995 period. Although this target was almost achieved in 1992, the first year of the fifth cycle, resources pledged for the following years have seen drastic cuts, and the shortfall of the 1991-1995 cycle is estimated at US$ 1.4 billion. As a result of the decline, programme allocations for the fifth cycle have had to be reduced by 30 per cent, from US$ 4,163 million to US$ 2,972 million.

32. The shortfall in meeting the "core" targets is accompanied by a clear shift by donor countries towards funding specific thematic areas which are deemed to be consistent with their particular interests. In 1994, non-core resources of UNDP accounted for US$ 866.5 million, as compared to US$ 920.4 million for central funding. Extrabudgetary resources from UNDP come in the form of cost-sharing and trust fund contributions. Most of the increase in cost-sharing contributions in 1994 came from developing countries themselves. Out of a total of US$ 492 million in cost-sharing, US$ 403 million (80 per cent) was contributed by developing countries. Trust fund contributions increased to US$ 223 million in 1994. Part of the increase in total contributions to UNDP for 1994 was a result of the decline in the value of the United States dollar relative to other major currencies.

33. Given the central role of UNDP in extrabudgetary financing, the adverse impact of the fall in its core resources has been system-wide. United Nations system executing agencies traditionally relied upon UNDP as the central funding organization to finance and support technical cooperation (see also General Assembly resolution 44/211, para. 12). This role is being compromised by recent resource trends and shifts to national execution in many countries. The specialized agencies have drawn about 40 per cent of their operational resources from UNDP and UNFPA. United Nations system executing agencies have stated that the decline in UNDP funding, coupled with the increase in national execution, has had a radical effect on their technical cooperation activities, amounting, in some cases, to a reduction of approximately 50 per cent in recent years. They consider that this trend compromises their capacity to contribute to

national development. At a time when funding from UNDP has declined, there has been an increase in assessed contributions and extrabudgetary contributions to the operational activities of the specialized agencies from other sources, from US$ 783 million in 1987 to US$ 1,052 million in 1993.

34. Reflecting the ODA decline in 1993, contributions to UNICEF declined from US$ 918.5 million in 1992 to US$ 793.7 million in 1993 but rose to US$ 1,006 million in 1994, of which US$ 535 million were general resources and US$471 million were supplementary funds. Similarly, contributions to UNFPA declined from US$ 233.8 million in 1992 to US$ 216.6 million in 1993 but rose to US$ 255.2 million in 1994.

35. The contributions to the World Food Programme (WFP) declined from US$ 1,722.4 million in 1992 to US$1 421.1 million in 1993 but rose in 1994 to US$ 1,499.8. However, an important trend in WFP contributions is that the proportion of assistance given for development and emergency activities has inverted. While in 1990, relief activities accounted for US$ 258 million (i.e., 34 per cent of food aid), in 1993 emergency deliveries amounted to US$ 865 million (i.e., 68 per cent).

36. Volatility in contributions has made realistic long-term planning more difficult and reduced effectiveness and impact. For example, during the past five years, while UNFPA income increased, on the average, by 8 per cent per annum, varying from 5.6 per cent to 20.8 per cent, it also absorbed a one-time reduction of 7.8 per cent.

B. Programme development and implementation

1. Country strategy note

Background

37. The concept of a country strategy note (CSN) was established in paragraph 9 of General Assembly resolution 47/199. The main elements of the CSN process are that:

(a) The CSN should be a policy statement which establishes national priorities to be supported by the United Nations system and represents a broad frame of reference for United Nations system operational activities for development;

(b) The CSN should outline the contribution that the United Nations development system can make to respond to the requirements identified by recipient countries in their plans, strategies and priorities;

(c) The CSN should be a Government document prepared with the assistance of and in collaboration with the organizations of the United Nations system;

(d) The resident coordinator system, under the leadership of the resident coordinator, should assist and contribute to the CSN process;

(e) The CSN should be the outcome of a process of consultation and collaboration between the Government and the United Nations system, within the United Nations system, and between the United Nations system and the rest of the international donor community; it should normally cover a period of four to five years;

(f) The specific activities of each funding organization of the United Nations system, should be outlined in a specific country programme within the broad framework of the CSN, prepared by the recipient Government with the assistance of the funding organizations;

(g) The CSN should be transmitted to the governing body of each funding organization as a reference for the consideration of its specific country programme.

Guidelines

38. To assist Governments and the resident coordinator system, CCPOQ developed guidelines that were issued in May 1993. In order to operationalize the basic notions and principles and to support the efforts of the countries that had started implementing the CSN, a country strategy workshop was held in Turin, Italy from 11 to 14 October 1993. The workshop involved national officials, resident coordinators and other United Nations system officials drawn from 11 countries. It built on national experience and clarified some practical questions. As a consequence of that workshop, further "guidance elements for the preparation, design and implementation of the CSN" were developed in consultation with the United Nations system and issued to all recipient countries in March 1994 in English, French and Spanish. These guidance elements clarified the purpose and main characteristics of the CSN; suggested a possible structure or outline of the CSN document; and suggested suitable ways to organize the process. Subsequently, at the request of countries and resident coordinators, a number of national workshops were organized.

39. On the basis of the actual use of the United Nations system guidance elements in concrete country operations, and the responses by the resident coordinators to the questionnaire for this review, it appears that the current guidance elements provide adequate assistance to the United Nations system country teams and to Governments for the preparation of the CSN. The combination of detailed operational guidelines, and global and country-level workshops to support their development and application, proved to be an important step in initiating the process in most instances.

Status of the CSNs

40. The status of implementation of the CSN as of May 1995 is shown in tables 5A and B. Thus, of the 131 countries for which information is available, 84 Governments (64.1 per cent) have formally indicated their interest in pursuing the CSN. In six countries (4.6 per cent) the Governments have explicitly declared that they do not wish to pursue the CSN process at the present stage. In another 41 countries (31.3 per cent) Governments have not yet made a formal decision.

Table 5A. CSN: summary of status

Country typology	Number of countries
Countries where the Government either has expressed its intention to pursue the CSN or is pursuing it	
(a) The CSN is completed and has been adopted by the Government	5
(b) Final draft of the CSN is being considered by the Government for approval	7
(c) Preliminary drafts of the CSN are prepared	7
(d) Other countries where the CSN is expected to be completed by the end of 1995	22
Countries where the CSN is expected before the end of 1995 (subtotal of a to d)	41
Countries where the CSN process is at a very initial stage	43
TOTAL NUMBER OF COUNTRIES WHERE THE CSN IS ACTIVE	84
Countries where the Government does not intend to pursue the CSN	6
Countries where the Government has not yet made a final decision	41
TOTAL NUMBER OF COUNTRIES	131

Table 5B. CSN: status by country

Country typology	Number of countries
Countries where the CSN is either complete or expected to be completed by December 1995	
(a) The CSN is completed and has been adopted by the Government:	5
1. Ghana, 2. Indonesia, 3. Mauritius, 4. Thailand, 5. Turkey	
(b) Final draft of the CSN is being considered by the Government for approval:	7
1. Kenya, 2. Mozambique, 3. Syria, 4. Philippines, 5. Ukraine, 6. Viet Nam, 7. Zambia	
(c) Preliminary draft of the CSN has been prepared:	7
1. Chad, 2. Djibouti, 3. Honduras, 4. Namibia, 5. Nicaragua, 6. Niger, 7. Pakistan	
(d) Other countries where the CSN is expected to be completed by December 1995:	22
Countries where the outline of the CSN has been formulated and the first draft is in preparation:	
1. Benin, 2. Botswana, 3. Comoros, 4. Costa Rica, 5. Ecuador, 6. Sudan	
Countries where thematic groups have been established but the participation has been limited to United Nations members:	
1. Cambodia, 2. El Salvador, 3. Uzbekistan	
Countries with an agreed work programme and established joint drafting committee and/or thematic working groups:	
1. Barbados, 2. Bolivia, 3. Burkina Faso, 4. Côte d'Ivoire, 5. Gambia, 6. Jordan, 7. Lebanon, 8. Malawi, 9. Maldives, 10. Mauritania, 11. Republic of Moldova, 12. United Republic of Tanzania, 13. Zimbabwe	
Subtotal (a to d)	41

Country typology	Number of countries
Countries where the CSN process is at an initial stage:	43
1. Angola, 2. Armenia, 3. Azerbaijan, 4. Belarus, 5. Brazil, 6. Burundi, 7. Cameroon, 8. Cape Verde, 9. Central African Republic, 10. Chile, 11. Colombia, 12. Dominican Republic, 13. Egypt, 14. Equatorial Guinea, 15. Fiji, 16. Gabon, 17. Guatemala, 18. Guinea-Bissau, 19. Guyana, 20. Jamaica, 21. Laos, 22. Lesotho, 23. Madagascar, 24. Mali, 25. Mexico, 26. Mongolia, 27. Morocco, 28. Nigeria, 29. Panama, 30. Papua New Guinea, 31. Paraguay, 32. Samoa, 33. Sao Tome and Principe, 34. Senegal, 35. Sierra Leone, 36. Sri Lanka, 37. Togo, 38. Trinidad and Tobago, 39. Tunisia, 40. Uganda, 41. Venezuela, 42. Yemen, 43. Zaire	
TOTAL NUMBER OF COUNTRIES WHERE THE CSN IS ACTIVE	84
Countries where the Government does not intend to pursue the CSN:	6
1. Bhutan, 2. Cuba, 3. Democratic People's Republic of Korea, 4. Libyan Arab Jamahiriya, 5. Saudi Arabia, 6. Uruguay	
Countries where the Government has not made a final decision on the CSN:	41
1. Afghanistan, 2. Albania, 3. Algeria, 4. Argentina, 5. Bahrain, 6. Bangladesh, 7. Bulgaria, 8. China, 9. Congo, 10. Cyprus, 11. Eritrea, 12. Estonia, 13. Ethiopia, 14. Georgia, 15. Guinea, 16. Haiti, 17. India, 18. Iran (Islamic Republic of), 19. Iraq, 20. Kazakstan, 21. Kuwait, 22. Kyrgyzstan, 23. Latvia, 24. Liberia, 25. Lithuania, 26. Malaysia, 27. Myanmar, 28. Nepal, 29. Peru, 30. Poland, 31. Qatar, 32. Republic of Korea, 33. Romania, 34. Russian Federation, 35. Rwanda, 36. Somalia, 37. South Africa, 38. Swaziland, 39. United Arab Emirates, 40. Tajikistan, 41. Turkmenistan	
TOTAL NUMBER OF COUNTRIES ON WHICH INFORMATION IS AVAILABLE	131

The process

41. Most Governments of the 84 countries where the CSN process is under some stage of implementation took the decision to start the process in 1993. One third made their decision in 1994, and a few in 1995. Experience shows that the process requires a period of preparation to ensure broad and effective participation of all concerned. After this initial period, the preparation of the CSN is now accelerating. In addition to the 5 countries where the CSN has been completed and adopted, and another group of 7 countries where a final draft has been submitted for approval to the Government, there are at least another 29 countries where the joint teams (Government/United Nations system) are at present working intensively, either to finalize the various sections or to prepare the first comprehensive draft of the CSN. In these countries, sectoral workshops are being held and background documents prepared and discussed. It can therefore be expected that the final drafts of the CSNs will be available in those countries before the end of 1995.

42. Effective information-sharing, including information from headquarters to the country level, on the purpose, value and nature of the CSN process is seen as crucial for launching this new initiative.

Support to the process

43. Representatives of the organizations of the United Nations system at the national level received information on the CSN from various sources: in addition to the instructions received from the respective headquarters, workshops were conducted with the participation of all the United Nations organizations represented in the country. Care was taken to explain the purpose and the added value to senior national officials through workshops, seminars, conferences and meetings with the senior officials in charge of external assistance. Some national workshops were organized with the support of the International Training Centre of the ILO in Turin, and with the substantive support of the United Nations in a number of countries in Africa and Asia. Further workshops are scheduled in several countries. Other initiatives were carried out locally by the country representatives of the United Nations system and the Government.

44. The most frequent modality adopted for the preparation of the CSN is the establishment of thematic working groups, normally with the joint participation of Government officials and United Nations system representatives. In some cases, the leadership of working groups is in the hands of a Government official or is co-chaired by a Government official and a United Nations system official. In other cases, representatives of various United Nations system organizations chair thematic working groups under the resident coordinator system, taking assignments according to their organization's mandate and competence. In some cases, the working committees function under the authority of a steering committee or a joint task force, with the Government officials charged with coordinating external assistance. These working groups collect basic documentation, carry out situation analyses, prepare discussion papers, formulate outlines, draft documents and contribute to the finalization of the CSN. In a number of countries, resident coordinators established thematic working groups and prepared preliminary background documentation. In order to

ensure the leading role of the Government in the entire process, it became necessary, in some cases, to extend the preparatory phase.

45. Care was taken to use existing mechanisms whenever available. In some cases, tasks were entrusted to national consultants working with both the Government and the various United Nations system organizations.

46. Experience shows that the drafting of the CSN can be complex and time-consuming, because it involves many organizations and officials. Attempts were made to simplify this task by engaging consultants in charge of the preparation of preliminary versions of the CSN. Although this sometimes accelerated the process, this result has been at the expense in some cases of full participation of Government officials and/or United Nations system officials. There are examples of countries that are proceeding at a lower speed but which achieve a fuller participation of all concerned.

47. The reasons given by the six Governments that have decided not to launch the CSN process differ. The CSN is either seen as not being applicable to their countries, or a similar, national development strategy already exists. Moreover, the CSN is not perceived by some of these countries as generating significant additional benefits beyond existing planning tools.

48. The lack of human resources available in the public sector was indicated by one Government as a reason for not starting the process. While the use of external consultants or greater reliance on the support of United Nations system organizations can mitigate these constraints, these measures were considered as a potential abdication of the required leadership of the process by the Government.

49. In some cases, alternative exercises started with the support of the United Nations system - for example, the national technical cooperation assessments and programmes (NaTCAP) - were given as a reason for not proceeding. In some countries, the CSN has been accepted in principle, but its actual start has been delayed until other exercises could be finalized. In these cases, the following competing exercises were mentioned: NaTCAP (promoted with UNDP support), the country assistance strategy (with the World Bank) and national schemes of development policies. Although the need to harmonize the CSN and these exercises involves delays, this appears justified. Governments and United Nations country teams have recommended that a coordinated methodology should be introduced as a bridge to these similar exercises, particularly the NaTCAP and CSN processes.

50. A view voiced by some resident coordinators in countries where an official answer on the CSN is still pending is that the Government remains indifferent towards the concept. This is also the situation in several countries that have officially accepted the CSN but have not yet given it the required support. It should be pointed out that this indifference seems limited to countries where per capita income is relatively high, and the role of the United Nations system as a provider of development support is small in financial terms. A considerable number of other countries, particularly the least developed countries in Africa, have expressed a stronger interest in the potential contribution that this tool can provide, especially at a time of declining ODA.

National leadership in the CSN process

51. Effective national leadership is essential to the success of the process and for ensuring the authoritative nature of the resulting document. Experience acquired so far shows that in the great majority of cases a significant role was played by national authorities in the CSN process. Data on national roles show that in 78 per cent of the countries in Africa, 64 per cent in Asia, and 40 per cent in Latin America, the CSN involves different levels of officials, from the political level (ministerial) to the technical level, the latter including either coordinating authorities or sectoral ministries. National involvement in the process also includes non-governmental components, such as the private sector, private voluntary organizations, academic groups and special purpose organizations.

Participation of the organizations of the United Nations system and support to the CSN process

52. The involvement of the entire United Nations system in all phases of the CSN process is considered essential to ensure their full support to it as a frame of reference for their main activities. Some concern was expressed that in some instances advice and inputs from the various United Nations system partners were not always obtained from the start of the process but only after a first draft had been prepared.

53. Fifty-one responses from the resident coordinator system confirmed that adequate support to the CSN process was provided by the organizations of the United Nations system, whereas in 12 countries where the CSN process had started, limited involvement by United Nations organizations was noted.

Regional dimension

54. Regional commissions and several smaller technical agencies have underlined the need to assess the experience gained in the preparation of CSNs in order to identify regional dimensions that have not received sufficient attention so far. It is important, in their view, that the CSN be used as a tool to give national authorities access to the potential of some of the more specialized agencies, using a regional perspective rather than being limited to a purely country approach. Given the nature of the CSN as a country level tool, some issues that relate to regional cooperation may not have received adequate consideration.

CSNs and United Nations system programmes

55. The CSN process affects some aspects of United Nations system programmes and activities in a country by providing a strategic frame of reference. Thus, 44 per cent of the resident coordinator responses confirm that the CSN process provides a frame of reference for the formulation of new programmes. Twenty-two per cent of the responses indicate that the CSN provides a frame of reference on the occasion of mid-term reviews. Only 11 per cent of responses indicate that amendments to the current country programmes and other activities now under way result from the CSN process. Of the 41 countries where the CSN has been completed or is expected to be completed by the end of 1995, the programming

cycles are either fully harmonized or are planned for the near future in 31 countries (76 per cent).

The value of the CSN

56. Given the early stage of the implementation of the CSN process in many countries, the assessment of its full value is not possible. However, the experience gained so far suggests that the success of the CSN depends, to a large extent, on the interest and involvement shown by national authorities. Furthermore, the CSN appears to be more central to the concerns of the United Nations funds and programmes, as compared to the specialized agencies of the United Nations system.

57. Some donor countries have expressed their concern about the slow introduction of the CSN. Therefore, these donors suggest that efforts be made to assist the countries that have already decided to start the CSN process in order to facilitate the preparation and speed up its completion.

58. The responses of resident coordinators and United Nations system colleagues contain the following suggestions:

(a) Forty-nine per cent suggest modifying the CSN so that it can refer to the level of financial resources made available by the United Nations system to a country, consistent with the rules of the respective governing bodies. This view is particularly supported by responses from Africa (64.4 per cent) and Eastern Europe (62.5 per cent), whereas it corresponds to 50 per cent of the response from Latin America and only 23.5 per cent of those in Asia;

(b) Better relating the CSN process to the activities of the World Bank and IMF is mentioned in 40 per cent of the responses - 51 per cent of those from Africa, 50 per cent of those from Eastern Europe, 40 per cent of those from Latin America, but only 21 per cent of those from Asia;

(c) Of the responding resident coordinators 36.7 per cent support the idea of modifying the CSN so that it can better describe the links with existing programmes and projects of the United Nations system organizations. This especially reflects the views of those from Africa (46.7 per cent) and from Eastern Europe (50 per cent), whereas 30 per cent of those from Latin America and 23.5 per cent of those from Asia conveyed this view;

(d) The idea of relating the CSN to all external assistance, and not to the United Nations components only, is supported by 22 per cent of the resident coordinators.

59. Suggestions to improve the quality of the CSN as a document and as a process were formulated by other resident coordinators. Some expressed concern about the fact that the CSN is a Government document, which means that the pace of preparation is subject to the degree of commitment and available resources. On the other hand, according to several United Nations organizations, the CSN process is seen as not reflecting sufficiently the country's priorities because it is overly driven by resident coordinators and, in some cases, by UNDP priorities.

60. Some United Nations system organizations have expressed the view that the scope of the CSN should be extended to include other areas, such as relief, rehabilitation, reconstruction and the work of the Bretton Woods institutions. In their view, the substantive participation of many United Nations system organizations in the preparatory process needs to be significantly strengthened.

61. Views have been requested from the resident coordinator system in all recipient countries on the value of the CSN process to date. The responses indicate the following:

(a) Seventy-three per cent indicate that the CSN process establishes an effective strategic framework for United Nations system support at the country level in harmony with national priorities;

(b) Sixty-three per cent support the view that the CSN process enhances substantive consultation between the Government and the United Nations system and among the organizations of the system on issues of priorities;

(c) Fifty-seven per cent indicate that the CSN process can strengthen the Government's capacity to coordinate United Nations system support;

(d) Fifty-six per cent confirm that the CSN enhances the complementarity of country programmes of the United Nations system.

62. There is a broad recognition, both among Member States and in the United Nations system, that the concept of the CSN represents a promising new development for better and more coordinated United Nations system operational activities in support of national plans, strategies and priorities. Donor countries expressed the expectation that the CSN should become an important instrument in achieving better relevance, coordination and impact of United Nations system operational activities. Organizations of the United Nations system welcome the formulation of the CSN as a strategic tool to harmonize national priorities with the system's comparative advantage.

2. Harmonization of programming cycles

63. In paragraph 10 of resolution 47/199, the General Assembly reaffirmed that funds and programmes of the United Nations should harmonize their cycles and adapt them to national budget cycles, plans and strategies. The Joint Consultative Group (JCGP) Subgroup on Harmonization guides the implementation of this provision through regional working groups headed by a designated agency (UNDP for Africa, UNICEF for Asia, UNFPA for Latin America and the Middle East).

64. As part of the process of implementing General Assembly resolution 47/199, the executive heads of the three JCGP member organizations (UNDP, UNICEF and UNFPA) sent a joint letter to all resident coordinators, country directors and representatives on steps to be taken to achieve harmonization of programme cycles. To harmonize programming cycles in Africa, an additional memorandum, co-signed by the UNFPA and UNICEF and UNDP was issued, requesting their representatives in Africa to reach agreement on the preferred timing for harmonization.

65. As reported to the Economic and Social Council at its substantive session of 1994, "there is now a plan in place on the harmonization of programming cycles for all countries except where local conditions are not conducive to such an approach. It will be implemented with the start of the new programme cycles" (E/1994/64, para. 21). The latest status of the harmonization of programme cycles is given below.

66. Working groups composed of representatives of the geographic sections/bureaux of the three organizations are monitoring the process and have proposed steps to coordinate and expedite harmonization. Four categories of countries have emerged for each region: (i) countries which have already achieved harmonization of programme cycles; (ii) countries where harmonization is agreed upon for the next cycle; (iii) countries where harmonization is possible; (iv) special cases consisting of essentially emergency-type countries which are unlikely to achieve harmonization in the near future. Available information shows that 80 per cent of the countries have either already harmonized their programme cycles or expect to do so in preparing the next programme. The figures for each region and category are as follows:

	Categories			
Region	(i)	(ii)	(iii)	(iv)
Africa	11	22	10	2
Americas	4	17	1	1
Asia	11	6	2	4
Middle East and North Africa (or Arab Bureau)	2	7	2	1
Total	28 (27%)	52 (50%)	15 (15%)	8 (8%)

3. Programme approach

Background

67. In reporting to the Economic and Social Council at its substantive sessions of 1993 and 1994 on the implementation of General Assembly resolution 47/199, detailed information was provided on the implementation of the programme approach by the United Nations system in accordance with the provisions of the resolution.

68. In 1993, the results of the CCPOQ agreement on a common interpretation of the programme approach were transmitted to the Council (see E/1993/73, paras. 37-41 and annex III). Annex III contained an agreed set of definitions of the programme approach. The following year, progress in the application of the common interpretation at the country level was reported, including that made in developing a common understanding of how best to conduct monitoring and evaluation under this approach (see E/1994/64, paras. 22-45). In this

connection, the report stated that "there is a strong commitment at all levels to using the programme approach; there is agreement on the basic principles for its application at the country level; there is an emergence of a programme approach logic, which coexists with the adoption of the project modality, particularly among those organizations that have recently adopted this approach; a more systematic and widespread use of the programme approach is taking place by using a variety of techniques; when effectively applied, the approach has proved to be a useful tool in improving substantive collaboration among United Nations system organizations" (E/1994/64, para. 23). It was also pointed out that further steps needed to be taken to achieve further progress at the country level.

69. The core of the programme approach implies the use of external funds in a form that is best suited to supporting national programme objectives. United Nations system support should be merged with national and other external support, no longer structured in separate projects but targeted to national objectives. These and related concepts were reviewed in the above-mentioned report, and they command broad support within the United Nations system. It is a modality which facilitates support by the United Nations system to upstream activities.

Status

70. The current review provides additional insights into the utilization of this approach. Responses to the resident coordinator questionnaire show that concerning a common understanding of the concept among organizations of the United Nations system and Governments at the country level nearly 55 per cent of the respondents consider there to be difficulties in this area. It is therefore understandable that almost 80 per cent of the respondents recommend that training for government officials should be promoted to help disseminate the concept and methodologies of the programme approach and that 70 per cent of respondents call for similar training for United Nations system personnel. Fifty-four per cent of respondents suggest that clearer and better coordinated guidelines should be developed. The majority of responses indicate that the use of the programme approach is growing rapidly, and almost the same number indicate that it is growing moderately. A much smaller number indicate that organizations are not using the approach at the country level.

71. Given the variety of operational contexts, the programme approach is being applied in different forms. Forty-one per cent of the responses from the resident coordinator system express the view that the programme approach is used in reference to broadly defined global development policies or strategies, consisting of loosely linked projects that are not fully integrated into programmes. Fifty-seven per cent indicate that the programme approach involves participation in national programmes, with national objectives, time-bound targets, and groups of projects and activities to achieve them. Thirty-nine per cent of the respondents indicate that the implementation of the approach is done through umbrella projects or clusters of projects, by regrouping individual projects under a common framework.

72. In assessing the results achieved through the programme approach, 64 per cent of respondents said that as a consequence of the approach, United

Nations system organizations are increasingly involved in providing strategy advice, aid coordination, and upstream policy support and that the orientations of United Nations country operations are being streamlined to better address development objectives. Fifty-seven per cent of respondents consider that collections of isolated projects are giving way to new, comprehensive approaches as a result of the use of the programme approach. Another 38 per cent report that programming of new and current activities are being assessed for their impacts on development rather than for the inputs made into these activities (control of disbursements) as a benefit arising from the approach. Twenty-two per cent find that resource allocations respond more easily to changing conditions as a result of the greater flexibility in financial management ensuing from the programme approach.

73. When asked whether monitoring and evaluation presented special problems in implementing the programme approach, 60 per cent answered in the negative, while 22 per cent noted that it was sometimes a problem. As concerns arrangements made for monitoring and evaluation, 44 per cent indicated that the Government made use of the procedures of the United Nations system organizations, while under 20 per cent reported that national efforts were under way to establish a monitoring and evaluation approach in this area.

74. Eighty-four responses revealed that increased field capacity of the United Nations system organizations is required to introduce the approach effectively (34 in Africa, 24 in Asia, 18 in Latin America and the rest in other parts).

Assessment

75. There is a widely held view within the United Nations system that significant progress has been made by the system in implementing the programme approach. The guidelines formulated by CCPOQ mentioned earlier have been made available to the system as a frame of reference. Given the diversity of mandates and the variety of country-level activities, the operational interpretations of the approach and of the guidelines can vary. Some United Nations system organizations agree with reports from the countries that there is a need for more practical guidelines on how to adopt and apply the programme approach. Furthermore, the need for greater clarity and consistency in what constitutes a "national programme" in this approach has been noted by some.

76. In other words, the United Nations system has prepared "programmes" instead of "projects", but these have not yet been, as contemplated in the programme approach, fully transformed into specific elements of or inputs into coherent national programmes that are owned and managed by Governments. General Assembly resolution 47/199 envisages that where Governments do not have such programmes, the United Nations system should help to formulate them. Accordingly, in some cases, the United Nations system has proceeded to support the formulation of such programmes.

77. UNDP has, in many countries, made significant advances in shifting the bulk of its resources from numerous small projects into far fewer programmes under its country programmes. This shift has also been influenced by the decision of the Executive Board of UNDP, in the framework of sustainable human development,

to concentrate its resources on four areas: (i) poverty eradication; (ii) environment; (iii) women; and (iv) job creation.

78. It is the policy of UNICEF that all of its assistance should be provided through the programme approach. Virtually all of its programmes have been evaluated, reinforcing its conviction that the programme approach is the most effective and sustainable method of providing development assistance. All inputs are jointly identified and determined by UNICEF and the Government within the programme preparation cycle, which is the primary strength of the programme approach.

79. WFP has formulated specific proposals to shift from the current project approach to a programme approach and the Committee on Food Aid Policies and Programmes, at its session in December 1994, endorsed, in principle, the gradual introduction of the programme approach, beginning with a limited number of programmes to be submitted to the Committee for Food Aid (CFA) in November 1995. UNFPA has communicated instructions to its country support teams to extend the programme approach; additional step-by-step practical procedures will shortly be sent to all field offices. The general attitude of the specialized agencies is that, although they fully subscribe to the concepts and underpinnings of the programme approach, its actual implementation is largely governed by the fact that, in some cases, such as UNESCO, the bulk of the resources for operational activities (over 90 per cent) come from extrabudgetary sources and are thus heavily influenced by the policies of the funding body.

80. Concerning the evaluation of programmes formulated under this approach, many organizations and agencies indicate that it is too soon to make such an evaluation, as the programmes are largely in the process of being formulated or are in an initial stage of implementation. In its guidelines on the programme approach, UNDP has introduced principles for monitoring and evaluation, which have been used by the Inter-Agency Working Group on Evaluation and subsequently endorsed by CCPOQ. United Nations system organizations have also made efforts to increase the use of local resources, expertise and capacities in the delivery of operational activities, particularly through modalities such as the programme approach and national execution. FAO suggests that more efforts are required to utilize the experience of agencies systematically in the evaluation of programmes, which should be built into the design and approval stages.

81. Smaller specialized agencies such as the International Maritime Organization (IMO) and the International Telecommunication Union (ITU) and organizations such as the ILO International Training Centre have pointed out that the programme approach tends to focus on broad thematic issues while they are more concerned with the development of policy and technical options in highly focused subsectoral issues and that assistance should remain flexible to meet needs in specific areas. The International Atomic Energy Agency (IAEA) has introduced new programming modalities that incorporate characteristics of the programme approach and sustainable human development objectives in 12 "model projects", which were first implemented in 1994. The 1995-1996 programme includes an additional 11 model projects that demonstrate the variety of socio-economic benefits from nuclear-based technology in national development.

82. Most Governments have welcomed the shift from the project to the programme approach as a means of bringing about a greater concentration of resources on a few priority programmes. Some Governments have expressed the view that, while they fully subscribe to the programme approach and national execution, these modalities should not be applied rigidly and that decisions should be taken on a case-by-case basis, the overarching objective being to obtain optimum results. Furthermore, some Governments and some United Nations agencies, particularly the smaller technical agencies, have also expressed concern that the programme approach, designed to bring about greater focus and to bring different elements together, should not lead to the neglect of specialized sectors. Activities in such areas, by their very nature, can be better implemented through a smaller and more sharply focused "project approach". Given sufficient resources it appears possible to integrate such specialized inputs within a broader programme approach.

83. Donor Governments have indicated that the programme approach modality is a central instrument in focusing United Nations system development activities on critical areas, helping to facilitate a clearer division of roles and the integration of development activities into national development programmes. There is therefore a need to ensure the full realization of the programme approach as a true change in programming and implementation of operational activities; this should involve more than merely a clustering of individual projects. Donor Governments place stress on the fact that the programme approach is closely linked to the preparation of the CSN.

84. Donor Governments express support for greater use of the programme approach, as a means of ensuring that the inputs of United Nations bodies are better integrated into national programmes. Ideally, this should also involve other donors, both bilateral and multilateral. According to these Governments the use of the programme approach can help improve the focus of many United Nations system programmes and can overcome the lack of coordination and the overlap of projects and programmes. They stress that emphasis should be placed on effective guidelines and training to ensure a full and common understanding and application of the programme approach concept.

85. The country review missions have confirmed that the programme approach has begun to take hold. It has yet to be fully implemented in many of the countries visited, usually because adoption of such an approach takes some time, and because many agency programmes have already been approved. In one country, the Government has systematically adopted the programme approach in managing the international development cooperation that it receives, employing the United Nations system's conceptual methodology. Integrated national programmes have been formulated around clearly defined target groups and priorities. In another case, that approach helped to integrate a multiplicity of agricultural projects in a harmonized framework; in another, it provided a global framework within which both the Government's action and the support from the donors to strengthen economic management were consistently rationalized.

86. The country missions found that the introduction of the approach had not yet led to greater cooperation within the United Nations system. It was found that there still existed a need for further technical expertise that was essential for greater use of the programme approach at the local level. In some

countries, the missions and responses from resident coordinators indicated that the United Nations system had not yet arrived at a full common understanding. Some United Nations system agency field staff were critical of the lack of practical guidance from their headquarters on issues such as the programme approach.

4. National execution

Background and status

87. In reporting to the Economic and Social Council at its substantive sessions of 1993 and 1994 on the implementation of General Assembly resolution 47/199, a considerable amount of information was provided on national execution. In 1993, the results of the CCPOQ agreement on a common framework for national execution were transmitted to the Council (see E/1993/73, paras. 42-47 and annex IV). In 1994, progress in adopting the modality of national execution was reported to the Council (see E/1994/64, paras. 22-45). The report pointed out that the implementation of national execution by the United Nations system, in terms of the common interpretation formulated by CCPOQ, was characterized by broad acceptance, although there were wide disparities in extent (5-100 per cent) and wide disparities in approaches. Since then, there have been significant developments and more information on the trends in and processes of national execution, particularly for UNDP and UNFPA.

88. There is now an increasing body of experience and evidence with regard to the practice and performance of national execution. Some preliminary efforts have been made to survey and collate such experience, including missions to selected countries by the United Nations; United Nations questionnaires and responses from Governments and United Nations resident coordinators; surveys conducted by UNDP, especially on national execution; the report of the Joint Inspection Unit of the United Nations on national execution; and the observations of the United Nations system specialized agencies.

89. The adoption of national execution for United Nations operational activities has resulted in a significant change in the role of UNDP (and, to a lesser extent, of UNFPA), which has in the past primarily relied on United Nations system agencies to undertake project and programme execution, a function now being transferred to government entities. UNICEF and WFP have in any case already conformed to the definition of national execution and established long-standing implementation relationships with Governments, so that their practices have not changed in any appreciable degree in recent years. The specialized agencies have maintained that their activities conform in practice to the definition of national execution as laid down in the common framework, and that overall responsibility and accountability for formulation and management of programmes are with Governments. They have supported Governments in establishing implementation arrangements through technical and managerial inputs, utilizing local technical resources extensively. The World Bank also conforms generally to the common framework for national execution.

90. Available statistics indicate that national execution is increasingly becoming the norm in implementing operational activities of the United Nations

system. A significant change in the magnitude of resources channelled through projects and programmes that are nationally executed can be observed. As to UNDP, in 1990 resident coordinators in a total of 60 countries indicated that 20 per cent or less of resources were channelled through nationally executed projects and programmes, and in 19 countries there was no national execution at all. As to UNFPA, of 68 reporting countries in 1990, 32 countries channelled 20 per cent or less of their resources through nationally executed projects, and 20 of those countries had no national execution at all. Only 24 countries reported that 50 per cent or more of their projects were being nationally executed.

91. That situation has changed significantly: by 1994, UNDP could report that of 95 reporting countries only 24 countries channelled less than 20 per cent of their resources through national execution and 18 countries had a share of between 20 and 50 per cent. In 50 countries that share exceeded 50 per cent and in 18 of those countries it exceeded 80 per cent national execution. UNFPA reported that of 74 reporting countries, 31 countries were adopting national execution for over 80 per cent of their projects and 13 of those countries had adopted 100 per cent national execution. In another 13 countries, the share of national execution was between 50 and 80 per cent; only in 17 countries was it less than 20 per cent.

92. When the 1994 figures for least developed countries and non-least developed countries are considered separately and on a regional basis, some important variations appear. For UNDP in 1994, the figures for 30 reporting least developed countries were as follows: below 20 per cent national execution, 10 countries; 20 to 50 per cent, 11 countries; above 50 per cent, 9 countries. For non-least developed countries, the corresponding figures were: below 20 per cent, 14 countries; 20 to 50 per cent, 8 countries; above 50 per cent, 43 countries. While only one third of the least developed countries reported over 50 per cent national execution, two thirds of the non-least developed countries reported that level. For UNFPA, 11 of 27 least developed countries reported over 50 per cent national execution, while 31 of 47 non-least developed countries reported that level, a ratio that closely resembles the UNDP ratio.

93. For UNDP, in 1994 less than 50 per cent of resources were channelled through national execution in 20 of 40 reporting countries in Africa, 19 of 28 countries in Asia, 1 of 19 countries in Latin America and 3 of 6 countries in Eastern Europe. The Asian region, in terms of number of countries, appears to be the lowest on the scale of national execution and Latin America has a significant lead over the other areas. For UNFPA, the corresponding figures are 19 of 33 reporting countries in Africa, 11 of 22 countries in Asia, none in Latin America and 2 out of 5 countries in eastern Europe. While the level of national execution in Latin America is the highest on the regional scale, it is higher in Asia than in Africa.

94. Recent analysis by UNDP also attests to the significant changes that have occurred. In 1983, the share of national execution in the total value of approvals was about 10 per cent; by 1990, it was nearly 25 per cent. That share increased still further to nearly 44 per cent in 1991 and over 50 per cent in 1992 and 1993. Looking only at country indicative planning figures, the share of national execution as a percentage of the value of approvals increased from

4.5 per cent in 1982 and 18 per cent in 1986 to 30 per cent in 1990, 53 per cent in 1991, 73 per cent in 1992 and 77 per cent in 1993. In 1993, of the number of projects approved (nearly 800), 76 per cent were nationally executed. Approvals in terms of the value and number of projects have moved in conformity towards greater national execution.

95. What is abundantly clear is the diversity in the practices associated with national execution. Country-specific arrangements have emerged and there is a healthy lack of standardization, enabling country circumstances to be taken into account. New relationships can be observed between country offices of UNDP and Governments in the context of projects and programmes that are increasingly nationally executed. In at least 28 countries (16 non-least developed countries, 12 least developed countries), national support services units have been established to facilitate national execution. In 80 countries (55 non-least developed countries, 25 least developed countries) country office support to entities in charge of national execution has been extended. Governments themselves have developed varied arrangements to enable the national execution of projects and programmes. In one country, for example, there is a central organization, the counterpart agency of UNDP, which also functions as the executing agency for all UNDP projects and programmes and assists implementing agencies. In several other countries, there are central UNDP-financed units within government administrations to support national execution. In still others, there are varying kinds of central support units and programme and project support units.

96. National execution has led to new functions for the country offices of UNDP, undertaken primarily at the request of Governments. Thus, in many countries both least developed countries and non-least developed countries, UNDP country offices provide necessary support to national project directors in areas of administrative and financial management for which those directors remain accountable, resulting in new types of skills being required in country offices and also resulting in the reallocation of functions.

97. While it is clear that the increasing use of national execution for UNDP-supported activities has been primarily due to UNDP policy mandates and the consequent advocacy of national execution by UNDP, there is also increasing evidence that Governments are committed to national execution. Of 109 responses, 50 per cent show a strong commitment to national execution, which is strongest in Latin America (74 per cent), Africa (51 per cent) and Asia (45 per cent). The same degree of commitment was not evident in Eastern Europe, where 43 per cent of the Governments surveyed indicated a lower level of commitment. Responding to a question whether countries had a systematic policy for strengthening national execution, 54 per cent of resident coordinators serving in non-least developed countries and 81 per cent from least developed countries answered in the affirmative. Most resident coordinators consider that some United Nations system organizations have been actively promoting national execution through training and advocacy.

98. With the increasing adoption of national execution, the degree of intensity of the engagement of specialized and technical agencies of the United Nations system in operational activities at the country level has declined. In responding to a question on the use of United Nations technical expertise in

activities that are nationally executed, only 15 of 95 resident coordinators considered it significant. Fifty other resident coordinators stated that some use was being made of United Nations system technical expertise and 30 stated that it was little used. The trend appears to be to obtain technical services of United Nations system agencies more selectively through short-term expertise and to avoid managerial and administrative inputs. United Nations system agencies in several instances are finding it difficult to adjust from an executing agency role to the new situation of supporting the implementation of activities on a more selective basis.

99. Many United Nations system agencies have expressed serious concern about the manner of implementation of programmes and projects in the context of national execution and the reduced opportunities for making technical contributions through system-supported projects and programmes. They are particularly concerned with the pace of implementation without regard to national capacities, the de-linking of execution, implementation and technical advice, the creation of units outside normal government structures that contribute to the marginalization of United Nations system agencies, and the increasing engagement of the UNDP Office for Project Services (OPS). Smaller technical agencies feel particularly left out as they have no field representation. They are also concerned about the involvement of outside agencies in highly specialized fields where United Nations system agencies have comparative advantages (civil aviation, telecommunications, transportation and nuclear technology) and the limitation of opportunities for developing countries to harness their technical capacities. The capacity to undertake such technical activities often requires extensive institutional capacity-strengthening.

National capacity

100. National execution has led to greater use of national capacities, especially the increased use of national experts and national institutional resources. Of 95 responding resident coordinators (30 least developed countries, 65 non-least developed countries), 51 considered that the contribution of national execution to the use of national capacity was significant. Forty-four resident coordinators considered that national execution was making only some or little contribution. The reasons for the varied pattern of national capacity use cannot be clearly established. Countries higher up on the income scale are inclined to use such capacities more than others. Many responses from the field considered that national execution created more opportunities for the use of national capacities than agency execution.

101. While only a few instances can be observed of non-governmental entities executing projects and programmes, there is evidence of their extensive use in various implementational roles, especially through subcontracting arrangements. According to responses from resident coordinators, 90 per cent of countries in Latin America, 83 per cent in Africa, 73 per cent in Asia and 43 per cent in Eastern Europe had utilized the service of non-governmental organizations to execute or implement operational activities. Some United Nations system agencies were more inclined to utilize non-governmental organization services than others, which has more to do with the sectoral focus of an agency, social

sector agencies having more opportunities to tap non-governmental organization capacities than some others.

Accountability

102. The increasing adoption of national execution has major implications for the processes of accountability, both financial and substantive. It is also a relatively new area for Governments, especially with regard to technical cooperation. Resident coordinators indicated about one in three countries felt that the issue of accountability was adequately addressed, while most countries felt that it was at least partially addressed; however, about 15 to 20 per cent felt that it was not adequately addressed. The difficulties in accountability arrangements were reported by resident coordinators to be primarily attributable to a disparity between Government and United Nations system procedures, a lack of transparency in financial accountability, inadequate capacity in accounting practices, and excessive focus on financial instead of substantive accountability.

103. Current practices in many countries where UNDP country offices assist national project directors with administrative and financial management proved to have important implications for financial accountability and a type of joint responsibility, particularly when Governments and country offices had developed mechanisms to facilitate financial accounting and reporting. In many countries, substantive accountability has been lacking and prevailing mechanisms to ensure substantive accountability, such as tripartite reviews and programme review committees, are seen as primarily concerned with administrative and managerial issues and provisions of inputs.

104. Many types of difficulties in national execution have been identified in the country responses to the questionnaire. While 9 out of 10 responses from resident coordinators from Africa, Asia and eastern Europe encountered difficulties, only 1 in 2 respondents from Latin America had such difficulties. Among the difficulties reported by resident coordinators are: constraints due to national capacity (65); accountability (52); financial rules and audit (50); complexity of United Nations rules and procedures (49); government policy towards national execution (29) and inadequacy of guidelines for national execution (20). Many of the 109 reporting countries identified more than one difficulty. Two thirds indicated specifically that the diversity and complexity of the rules and procedures of United Nations organizations were a source of difficulty.

105. In conclusion, national execution is now becoming the norm in United Nations system technical cooperation, with agency execution having diminished and becoming the exception in most countries. There are still a few countries in which UNDP-supported activities are mainly undertaken through agency execution. The qualitative aspects involved in these changes cannot be judged adequately from current evidence. As the common framework established by CCPOQ has stated, the essence of the transfer is know-how and not financial resources. Among other objectives is also the need to achieve greater cost effectiveness in operational activities and to ensure that the comparative advantages of the United Nations system are fully available to recipient countries. The extent to which national execution achieves these objectives requires further exploration.

C. United Nations system coordination mechanisms at the global level in support of country action

1. Consultative Committee on Programme and Operational Questions

106. Throughout the period under review, the ACC Consultative Committee on Programme and Operational Questions (CCPOQ) continued to give priority attention to the enhancement of the efficiency and effectiveness of the operational activities for development of the United Nations system, with particular reference to General Assembly resolutions 47/199 and 44/211.

Resident coordinator system

107. In 1995, CCPOQ adopted on behalf of ACC an updated and consolidated statement on the role and functioning of the resident coordinator system. Taking into account the earlier principles on coordination in the field adopted by ACC in 1961, 1967, 1979 and 1989-1990, the statement incorporated the provisions of resolution 47/199 aimed at the strengthening of the resident coordinator system.

108. Action has been taken to improve the response of the United Nations system to concerns and suggestions raised by resident coordinators and their colleagues, notably through the analysis and review by CCPOQ of the resident coordinators' annual reports and the improvement of briefing arrangements at headquarters locations on the occasion of visits by resident coordinators.

Country strategy note

109. The adoption by CCPOQ, at its first regular session of 1993, of basic principles and procedures for assisting Governments in the preparation of country strategy notes (CSNs) was followed up in October 1993 by a workshop of selected country teams and national government participants to identify more substantively the possible structure and content of country strategy notes. The resulting guidance notes for the preparation, design and implementation of country strategy notes were reviewed by CCPOQ in early 1994 and distributed to all resident coordinators and country teams.

Programme approach

110. At its first regular session of 1993, CCPOQ agreed on a system-wide common interpretation of the programme approach and developed a number of considerations for its implementation. These were followed up in April 1994 by an inter-agency workshop to assess the state of implementation of the programme approach and national execution, based on reports of missions to eight developing countries. The subsequent review by CCPOQ, at its first regular session of 1994, confirmed the progress in the use of the programme approach at all levels and identified a number of modalities for its further development, particularly through training.

111. In accordance with paragraph 13 of resolution 47/199, CCPOQ furthermore approved, at its first regular session of 1995, guiding principles for a

monitoring and evaluation methodology in the context of the programme approach. Those principles were developed in close consultation with the Inter-Agency Working Group on Evaluation and seek to ensure the incorporation of monitoring and evaluation considerations in the programme approach, joint government and United Nations system responsibility for delivery of the United Nations system component, and action to strengthen national monitoring and evaluation capacities.

112. Based on the lessons learned from the above-mentioned exercise, a further workshop is planned for later in 1995 to clarify certain concepts of the programme approach; develop operational instructions for the application of the above-mentioned principles, including their relationship to accountability; and develop related training modules.

National execution

113. In accordance with paragraph 22 of resolution 47/199, CCPOQ developed and approved, at its first regular session of 1993, a common interpretation of national execution and implementation arrangements to be applied by the United Nations system. In April 1994, inter-agency consultations highlighted the extent to which national execution has been adopted as the norm for delivery of United Nations operational activities. Ongoing CCPOQ reviews have focused on the means of ensuring the involvement of the specialized and technical agencies in the planning, formulation, implementation and evaluation stages, through, inter alia, an effective functioning of the resident coordinator system and the provision of corresponding resources. The need to strengthen national capacities for national execution has been identified as a key objective of the operational activities training programme.

Operational activities training

114. The further development and implementation of training programmes for operational activities has remained a constant preoccupation of CCPOQ. The Committee is assisted in this regard by its Advisory Panel on Operational Activities Training, which comprises not only CCPOQ members but also representatives of the Consultative Committee on Administrative Questions (Personnel and General Administrative Questions (CCAQ(PER)) Subcommittee on Training, the Joint Consultative Group on Policy (JCGP) Subgroup on Training and individual experts.

115. The programme on the management of field coordination for senior United Nations system representatives has been actively pursued: 14 workshops involving 66 country teams and over 400 participants were organized between March 1991 and March 1995. The structure and contents of the workshops are constantly reviewed in order to reflect the latest challenges facing the United Nations system - for example, on coordination in humanitarian and emergency relief situations. In September 1994, an extensive evaluation carried out by the Advisory Panel underlined the contribution of the workshops to the process of ensuring substantial progress in field coordination and thereby in the effectiveness and efficiency of United Nations system operations in support of national development.

116. The Advisory Panel evaluation further emphasized the need for greater follow-up at the country level, notably in the context of national workshops consisting of both the United Nations country team and national officials, as soon as possible after a Turin workshop. The introduction of the country strategy note process has given particular relevance to that process: workshops were organized in 1994 in Syria, Ghana, Pakistan and Mauritania.

117. The major innovation in operational activities training has been the development of the national capacity training programme, mandated by CCPOQ in 1992. The programme targets the training of trainers in programme formulation and management and includes training modules in a number of areas, such as policy analysis and planning; budgeting; procurement; staff management; and donor relations. Six workshops of a 4-week duration each were conducted in Turin between September 1993 and March 1995, involving 21 country teams and 135 participants, mainly from national institutions.

2. Joint Consultative Group on Policy

118. Throughout the period under review, JCGP and several of its working groups and subcommittees devoted much of their attention to the implementation of General Assembly resolution 47/199. The specific results achieved are reviewed in the various substantive sections of the present report. Significant work has advanced in a number of areas, such as the harmonization of programme cycles and the harmonization of key terminology in United Nations system development activities. In accordance with paragraph 39 (d) of resolution 47/199, the pool for resident coordinators was widened and a modified system for their selection and appointment was adopted.

119. JCGP continues its work on monitoring and evaluation, aid accountability and management audit systems, common premises and services.

Harmonization of key terminology in United Nations development activities

120. The common interpretation of programme terminologies used within the United Nations system of development assistance is a step towards achieving greater harmonization and simplification in the procedures of operational activities of the United Nations system. The results of that work by JCGP is contained in a report on harmonization of key terminology in United Nations development activities, which has been sent to all country representatives and JCGP staff.

Aid accountability

121. In response to requests contained in General Assembly resolution 44/211 and 47/199 to enhance accountability, JCGP, through its harmonization subgroup, initiated a comparative study of the financial accountability requirements of UNDP, UNFPA and UNICEF; that work is still continuing.

Monitoring and evaluation

122. The Working Group on Monitoring and Evaluation of the JCGP Harmonization Subgroup has issued a report on harmonization of monitoring and evaluation as a

step towards developing common principles and policies. The report recognized that there was already a substantial degree of harmony between the evaluation system of JCGP members. It presented a list of common principles and definitions as well as alternative approaches to the harmonization of monitoring and evaluation. It also emphasized that the exercise should start with a harmonization of terminology and product formats; that would ensure a common understanding of concepts and facilitate the sharing of information.

123. The next phase of the exercise will include:

(a) Project evaluation policies, procedures and products;

(b) Programme evaluation policies, concepts, terminology and products;

(c) Monitoring products for both project and country programmes.

124. Among the measures being pursued are the following:

(a) Establishment of a system that would give each agency computerized access to the evaluation databases of the other agencies;

(b) Establishment of a joint consultant roster;

(c) Holding of a joint training in evaluation techniques;

(d) Holding of joint evaluation missions.

Management audit systems

125. A Working Group on Management Audit Systems of the JCGP Harmonization Subgroup composed of the internal audit systems reviewed the implementation of resolution 47/199. In that connection, the Working Group:

(a) Re-emphasized the audit standards;

(b) Exchanged information on computer-assisted audit techniques;

(c) Called for the use of contractors to perform internal audits: the experience of UNDP and UNFPA was discussed and it was found that the use of commercial contractors could be a means of enhancing audit coverage and frequency;

(d) Aid accountability: the harmonization of procedures among agencies was seen as an important factor for enhancing the government capacities, thus enabling it to effectively discharge its functions and responsibilities;

(e) Planned to undertake joint audit of programmes and projects: while the need for such undertaking was recognized, it was felt that the matter required further discussion and analysis.

126. Together with the representatives of other United Nations organizations and multilateral financial institutions, the Working Group discussed the advantages

and disadvantages of developing a common audit manual. A consensus emerged that that was not practicable: while auditing principles were standardized, the practice varied, given the diversity of mandates, profiles and portfolios. Nevertheless, it should be noted that a common set of auditing standards is being applied by all concerned organizations.

D. Resident coordinator system

Actions at the global level

127. General Assembly resolution 47/199 laid out some of the tools with which the resident coordinator system now works. Some of those tools had existed before but were put into a systematic relationship with each other for the first time in support of more effective operational activities. The principal tools are the programme approach, national execution and the country strategy note; experience with these tools is assessed in other sections of the present report.

128. The principal actions at the global level concerning the resident coordinator system were the work of ACC and its subsidiary bodies to implement General Assembly resolutions 47/199 and 44/211. In order to provide more coherent support to the resident coordinator system, the Secretary-General decided to entrust the Administrator of UNDP with overall responsibility for assisting him in improving the coordination of operational activities for development, including the strengthening of the resident coordinator system. Subsequently, the Administrator of UNDP established the Office of the United Nations System Support and Services of OUNS, which has as one of its functions to provide management and support to the resident coordinator function.

129. As mentioned in section D above, a statement on the functioning of the resident coordinator system was adopted by CCPOQ on behalf of ACC, reflecting the results of inter-agency discussion on strengthening the role of the resident coordinator. The role and function of the resident coordinator was agreed by CCPOQ in February 1995 in a statement that is now being applied.

Pool

130. In accordance with paragraph 39 (d) of resolution 47/199, procedures were approved by JCGP in February 1994, the details of which were reported to the Economic and Social Council in its report on the implementation of resolution 47/199. In addition to JCGP organizations, candidates for the pool may also be drawn from sources, such as other United Nations system organizations. In addition, a process was established for selecting among the candidates for those positions. Progress is being made in widening the choice. As of May 1995, 45 of 115 resident coordinators in post come directly from or more frequently have worked in one of the agencies other than UNDP.

Financial support

131. In May 1994, UNDP allocated $200,000 ($8-10,000 per office) in support of the resident coordinator function. As of May 1995, all of this money had been committed. In October, a further $2 million was confirmed by UNDP for

1994-1996. The UNDP Executive Board is reviewing the Administrator's proposal to increase that allocation significantly during the next five years.

Briefing

132. Consultations have been held with the Geneva-based organizations to improve the briefing of resident coordinators. Problems still exist with briefings with respect to some agencies located outside of established headquarters.

Actions at the regional level

133. Actions at the regional level with respect to the resident coordinator system remain embryonic. However, certain initiatives have emerged recently. The regional commissions and UNDP have recently set up a task force to deal with coordination issues, including regional priorities and the involvement of the regional commissions in the country strategy note process.

Performance at the country level

134. The country missions suggest and the resident coordinator responses confirm that most Governments are supportive of the resident coordinator system. The country missions further confirm that the effective functioning of the resident coordinator system has a significant bearing on government perceptions of the coherence of the United Nations system at the country level.

Growth of role

135. Both sources indicate that the role of the resident coordinator has grown over the last three years, not only in programme matters but also on security, humanitarian, common administrative and protocol issues. Resident coordinators reported that they spent 39 per cent of their time on resident coordinator work and 41 per cent of their time on UNDP activities; the remaining 20 per cent was devoted to representing various funds and programmes of the United Nations, including WFP, UNFPA, the United Nations International Drug Control Programme (UNDCP) and UNIDO.

136. Much of the growth of the role has been in substantive areas; the tools provided via the resident coordinator system have helped in that growth. For example, the preparations for a country strategy note have been a pole around which substantive work has coalesced in some countries; in others, that pole has been the programme approach; in others, it has been the preparation of national contributions to global conferences. Essentially, the resident coordinator system provides a mechanism that permits shared objectives and implementation.

Unified approach in accordance with paragraph 49 of General Assembly resolution 47/199

137. The experience with the new country offices is still too new for assessing lasting impact but the offices have worked well where they have been set up. The limited data available from the country missions do suggest that the United Nations development system is more effective the more integrated the presence is.

138. Three new offices were visited; each has applied the programme approach. It is somewhat early to judge the impact but it appears that each of them is in advance of other offices on that score. There is no evidence that in those countries the trend towards greater collaboration in programmes at the country level has weakened any agency's programming, implementation or operational flexibility, accountability arrangements or advocacy capacity.

Field-level committees

139. In paragraphs 40 and 41 of General Assembly resolution 47/199, the Assembly calls upon resident coordinators to establish, in consultation with the host Government, an appropriate field-level committee with advisory functions. Just over one half of the 102 resident coordinators who responded on this issue answered positively, more in Latin America than elsewhere. About one fifth said that regular coordination meetings among United Nations system organizations were held for specific exercises even though the establishment of the field-level committee had not been formalized.

140. Three quarters of the 59 responding resident coordinators agreed that those committees ensured that major programmes and projects of the United Nations system organization were systematically reviewed to guarantee their complementarity, agency sector strategies and evaluation were reviewed, and guidance and advice were provided on proposed programmes, and that those mechanisms allowed the identification of programmes and projects of the United Nations system organization for possible complementary financing and coordinated implementation.

141. Nearly 10 per cent of the responding resident coordinators stressed that field committees did not allow the identification of United Nations programmes and projects for possible co-financing and coordinated implementation, mainly owing to the critical situation that their respective country was facing: since the Government was not available for this kind of concertation, the United Nations system limited its internal coordination to emergency assistance.

Thematic working groups

142. Seventy-two per cent of the resident coordinators confirmed the establishment of thematic working groups: the highest response is from Latin America (89.5 per cent), followed by Asia (70 per cent), Africa (69 per cent) and Eastern Europe (57.1 per cent). Seventy-five per cent of the resident coordinators in non-least developed countries, as compared with 65.7 per cent of those in least developed countries, confirmed the creation of such groups.

143. Some 4.6 per cent indicated that there were plans to establish such groups in due course. Eleven resident coordinators (seven in Africa and four in Asia) declared that the need for formal thematic working group was not felt, whereas one or more informal thematic agency meetings were being held, as required. Finally, another group of eight resident coordinators (7.3 per cent) reported a lack of interest of donors in the establishment of thematic working groups.

144. The data suggest and the experience of the missions support the inference that the record of field programme committees and thematic working groups is

uneven. Where there was a specific task or event around which to work, such as the follow-up of a round table or a particular issue that involved several agencies and national officials, then the groups assembled for that purpose appear to have worked substantively together and the fact of group work has strengthened the system's output. However, where meetings did not have such a common impulse they met only sporadically and with little evident value added.

Cooperation among United Nations system organizations

145. Resident coordinators and other country representatives were asked to assess the type of cooperation among United Nations organizations at the country level. The number of countries reporting the level of intensity of each type of cooperation are as follows:

	High	Medium	Low	Total
Ex-post sharing of information	47	51	6	104
Sharing of information before action is taken	39	51	14	104
Collaborative programming	26	56	22	104
Coordinated funding of government programmes and projects	19	46	34	99
Coordinated government programme and project implementation	14	54	33	101
Others	11	5	2	18

146. The information reported is generally uniform for all regions, with some exceptions. For example, the exchange of information among United Nations system organizations before action is taken is significant for over a third of those replying. Significant coordination of funding and implementation of programmes and projects is however less frequent, being reported by less than 20 per cent of resident coordinators.

147. The resident coordinators rated, on a scale of 1 to 10, the effectiveness of various pre-coded modes of inter-agency cooperation within the United Nations system. The global results, indicating average values of those ratings, are as follows:

	Africa	Asia	Latin America	Eastern Europe	Total
Formal coordination meetings with structured agenda and follow-up	7.80	7.33	6.20	6.00	7.25
Informal daily contacts at working level	7.30	7.56	7.15	8.00	7.41
Joint United Nations and government meetings	5.66	5.78	4.21	5.33	5.39
Thematic working groups with different lead agencies	6.76	6.48	7.11	6.17	6.69
Exchange of documentation	6.69	6.72	6.00	5.25	6.49
Others	6.15	7.67	7.00	10.00	6.75

148. A consistently high rating was given, in all regions, to the informal daily contacts among United Nations system organizations at the working level. A lower evaluation was given to joint United Nations and government meetings and, to a certain extent, also to the exchange of documentation. Participation in formal coordination meetings appears to have a higher rating in Africa and Asia than in Latin America and Eastern Europe. Thematic working groups have a higher rating in Latin America than the rest of the developing world.

149. Resident coordinators have taken a number of measures, such as:

(a) The establishment of inter-agency committees, including representatives of the Bretton Woods institutions;

(b) Consultations with agency field representatives concerning common contributions to round tables, consultative groups and national technical cooperation and assistance programmes (NaTCAPs);

(c) Performing joint situation analysis and needs assessments to provide common and consistent data for country strategy notes, country programmes and sectoral reviews.

150. Recently, UNDCP and UNDP came to an agreement under which the UNDP resident representative would also serve as the UNDCP representative working closely with the UNDCP country director to achieve a unified approach at the field level. Similarly, UNDCP and UNICEF made arrangements to collaborate in programme activities.

Reactions of other stakeholders to the resident coordinator system

Agencies

151. Country mission reports indicated that United Nations system representatives at the country level were concerned that many practices and procedures of their respective organizations were not yet fully harmonized. They often see themselves as having a common responsibility with respect to United Nations system operations, apart from their agency responsibilities; as a result, there is a growing awareness of intersectoral linkages that need to be established among United Nations programmes.

152. Many agency headquarters have also underlined the need to bring about a better balance between responsibilities and resources and mandate and means. They have noted the fact that neither staff nor resources sufficient to undertake system-wide functions distinct from those of UNDP have been designated.

Donors

153. While good progress has been made in the reforms of operational activities within the United Nations system initiated through General Assembly resolutions 44/211 and 47/199, much remains to be done. The new system for selecting resident coordinators is much more open and gives the other funds and programmes a clear stake in the resident coordinator system. The effectiveness of other measures designed to strengthen the authority of the resident coordinator has been mixed. Concern has also been expressed about the disinclination of certain United Nations agencies to become fully involved in the resident coordinator system.

Improvements in the resident coordinator system

154. The resident coordinator system is important to United Nations system efficiency and effectiveness at the country level. The resident coordinator continues to be a key person to make the activities of the system more coherent and useful for the beneficiary countries. The role a resident coordinator can play still depends very much on his/her own personal qualifications. There seem to be different interpretations in the field about what coordination should include. Coordination is sometimes overtaken by umbrella donor groups in which both bilateral and multilateral donors participate.

155. The concrete action most frequently proposed by the resident coordinators (80 per cent) was greater financial and human support to the resident coordinator system. Seventy per cent sought greater clarity of mandate and additional substantive support.

E. Programme support

1. Decentralization and delegation of authority

156. During the past three years, most (23) responding United Nations system organizations have introduced changes in their organizational and management structures and practices, not only in response to the General Assembly resolutions but also as an ongoing process of streamlining, simplifying and enhancing the impact and effectiveness of their activities, as directed by their own governing organs. Decentralization and empowerment of field offices are key elements in these efforts. The pace and reach of reforms, however, vary from organization to organization and from modality to modality. Details on the changes made and results achieved are provided below.

Structural and management changes

157. The review found that there has been a continuation of delegation of authority to the field in substantive, financial and administrative areas. Half the United Nations field representatives in non-least developed countries and nearly 65 per cent of those in least developed countries report receiving increased delegation of authority in the period under consideration. The rate of delegation varies from agency to agency.

158. UNDP has strengthened its country-office capacities by introducing specialist posts in selected fields in some countries, such as sustainable development, HIV/AIDS and macroeconomy in Africa. Organizational changes were also introduced at its headquarters to provide policy leadership and support to country and regional programmes. UNICEF has shortened the country preparation cycle from 18 to 12 months and its country offices have made efforts to involve other agencies in the programme preparation and review processes (PPRPs). A recent management study conducted by a major international consulting firm has helped the organization to embark on a process of further adapting its managerial processes to refine its ability to support this decentralized structure. The number of country directors of UNFPA has been increased from 53 in 1990 to 60 in 1994. It has strengthened its professional staff by establishing eight country support teams, bringing multisectoral population advice and technical back-stopping closer to the field, is undertaking a major revision of its programme procedures and has introduced changes in the modalities of development cooperation. WFP has restructured its operations to focus on management and programming, policy and support, transport and logistics, and has delegated authority to its country offices for project reformulation, food procurement and personnel administration.

159. Several specialized agencies (UNESCO, UNIDO, ILO and WHO) have changed their management structures and operational procedures. UNESCO has introduced a Sectoral Programme Evaluation Unit for the monitoring and evaluation of operational activities and a Division for Policy and Sectoral Analysis to provide technical advice to member States in the fields of policy, institutional reforms and management, planning and resource allocation. A new Unit for Private Sector Funding Sources has been established. In WHO, efforts are under way to simplify structures and make procedures more transparent. ILO has taken

several steps to maintain and enhance its technical capacity, resource base and comparative advantage.

160. UNIDO has introduced a new programme and project management process in the context of a major organizational reform and restructuring launched in late 1993 and approved at the fifth session of the General Conference. The new process puts emphasis, inter alia, on establishing a coherent programming framework through country-specific, sectoral and thematic UNIDO support strategies; introduction of an early programme and project screening mechanism; unified approval procedures covering different sources of funds; and the decentralization of the quality assurance function. Methodologies have been refined and are increasingly applied with a view to ensuring relevance, cost-effectiveness and sustainability of programmes and projects.

161. Smaller technical agencies (UPU, ITU and ICAO) have also introduced several innovations, such as the programme budget system, strategic planning process and new offices for programme evaluation and a Technical Cooperation Bureau. One agency also strengthened its regional presence, resulting in 12 new field offices in four regions (ITU).

162. Regional commissions have also initiated important reforms and strengthened their approach to operational activities by the establishment of a multidisciplinary regional advisory group. The Department for Development Support and Management Services has reorganized its internal structure and established a Programmes and Projects Review Committee to review its activities in a more substantive and holistic manner, and has placed evaluation functions in a more central position.

163. The above-mentioned actions indicate how individual organizations are responding to the new requirements of recipient countries in order to enhance their coherence in programming and resource utilization.

2. Simplification and harmonization of procedures

164. Most countries were concerned about excessive rules and procedures and a lack of transparency, and were also concerned that information on new procedures was not transmitted to Governments effectively. Differences in procedures limit the use of local resources and skills and reduce the impact of assistance. Rules, procedures and programme cycles of the various organizations change continuously but often the changes were not made known to users.

165. Some Governments expressed concern about the complexity of financial procedures for national execution. They found that they had to satisfy the different demands of each agency and in that context recommended that the best and most simplified practices of each United Nations system organization should be identified and agreed upon as a basis of action. Reporting formats and procedures are complicated and time-consuming. They also pointed out that the lack of harmonization prevented them from establishing more integrated and coordinated arrangements at the country level.

166. Donors agreed that simplification and harmonization of procedures was needed to facilitate coordination at the country level and to make the United Nations system more transparent for both recipient countries and donors. Progress in that area was important and should be given priority; in particular, common approaches were needed to salaries/allowances for national expert/project staff in order to avoid local brain drain and unequal treatment of national staff.

167. According to the country mission reports, system-wide progress in the last three years in simplifying and harmonizing rules and procedures remains difficult to discern. In some of the countries visited, both government and United Nations system officials pointed out that the United Nations system rules and procedures were a significant barrier to greater implementation of projects by the Government and national agencies. The many different rules and procedures of the United Nations system increased the workload of the Government. Some United Nations system representatives pointed out that the simplification and harmonization of rules and procedures must be carried out at Headquarters level.

168. At present, a JCGP Subgroup on Programming Policies and Procedures under the chairmanship of UNFPA is focusing on harmonization in the areas of situation analyses, country strategy notes and monitoring and review procedures.

3. Accountability: monitoring, evaluation and audit

Changes in organizational and reporting status of the evaluation and management audit functions

169. Evaluation offices or units report to senior management either directly or as part of a policy or strategic planning office. Audit offices remain separate from evaluation offices in most organizations. A recent JIU report has recommended that each organization establish a single focal point unit under its executive head dedicated to strategic planning, performance management and maximally effective accountability and oversight. It also recommended that organizations consider combining their oversight units, audit and evaluation.

Evaluation and related initiatives within the system

170. In 1995, WHO updated its strategies in the light of its response to global change based on agreed targets and outcomes and reorientation of resources in accordance with priorities. Its budgetary rules and procedures are already oriented towards output/performance.

171. The ILO has introduced a new reporting and evaluation system designed to ensure that its programmes focus on key objectives. A suitable data follow-up system is currently being developed. The ILO is keeping the issue of impact-oriented evaluation under review but has not yet made any specific changes. It is following the experience of other United Nations agencies in order to assess the implications of the programme approach on monitoring and evaluation procedures.

172. The UNDP programme approach uses an output budgeting strategy and format, which is outlined in its Programme Support Implementation Arrangements (PSIA) instrument. In October 1993, new guidelines for evaluators were introduced to clarify concepts of impact, sustainability, institution-building and a common framework for evaluation based on relevance, performance, outputs, outcomes and impact.

173. UNICEF has taken specific steps to harmonize and make more transparent its procedures regarding programme formulation, implementation and evaluation, and has introduced feedback mechanisms that have enhanced its capacity to support more sustainable programmes and to assess programme impact.

174. WFP indicates that it has focused on evaluation procedures that are oriented towards impact assessment, sustainability and comparative advantage. The Office of Evaluation has established a comparative memory facility in order to ensure better programming feedback.

175. UNFPA is reviewing and revising its guidelines for monitoring and evaluation in the context of the programme approach in order to streamline and harmonize the guidelines with those of other agencies. Efforts are also under way to emphasize outputs and achievements in its monitoring and evaluation processes.

176. IFAD has introduced a new project cycle, which allows a flexible inception of project ideas, taking into consideration programmes and strategies. Its evaluation functions have been updated following an external assessment and is now more focused on outputs and impact.

177. ICAO established a new Office for Programme Evaluation, Audit and Management Review, with the responsibility of providing strategic planning and accountability and as an appropriate mechanism for judging the potential value of new and outgoing programmes. The Technical Cooperation Bureau of ICAO is being restructured to make it more responsive to the needs of recipient countries.

<u>Streamlining and rationalization of procedures and practices within United Nations system</u>

178. The Inter-Agency Working Group on Evaluation was set up as a subsidiary body of ACC. Initially, it helped to develop common procedures for project monitoring and evaluation; these have been supplemented recently with guidelines for monitoring and evaluation of the programme approach. The CCPOQ subgroup on harmonization found that substantial degree of harmony already existed between the evaluation systems of JCGP members. The differences were mainly ones of terminology, detail, emphasis or institutional framework.

179. The Working Group is also looking at mechanisms to more actively share databases as well as evaluation reports and to strengthen the system's understanding of how to build evaluation capacity in developing countries. Through the ACC subgroup on rural development, a panel of experts on evaluation led by IFAD has initiated the development of guiding principles for monitoring and evaluation on gender issues. Their future work will focus on assessing

participation in evaluation and on rural poverty alleviation. As a result of these initiatives, harmonization has been strengthened in the following areas: concepts, methodologies, programmes and themes.

Rationalization of accountability at the country level

180. Aid accountability has been pursued by the JCGP subgroup on harmonization. The subgroup is developing common formats in order to facilitate reporting by recipient Governments.

181. Over half of all resident coordinators report some strengthening of government capacity in accounting and the monitoring and evaluation of financial and programming functions, and some enhancement in their accountability as a result. They record considerable activity by United Nations organizations in the support of government auditing capacity and strengthening of accountability. The number of countries reporting such support are as follows:

	Africa	Asia	Eastern Europe	Latin America
Strengthening institutions	80	59	75	80
Placing consultants	56	38	25	50
Providing methodologies	62	56	37	60
Training government staff	82	62	50	80

182. Nearly 60 per cent of resident coordinators indicate that there has been little harmonization of United Nations organizations at the country level for meeting the requirements of strengthening accountability. They urged (a) more training for government officials or for United Nations personnel charged with providing technical support to the Government; (b) simplified procedures and better guidelines; (c) creation of support units within the Government; (d) additional resources and staff; (e) better access to qualified evaluators.

Global and country-level evaluations of operational activities

183. In practice, there have been no global evaluations of operational activities carried out jointly by the United Nations system as a whole. However, at the country level initiatives have been taken. The resident coordinator in one country where the country strategy note was completed has proposed that the Government use it as a basis for the review of all operational activities. A similar review was carried out in another country prior to completion of the country strategy note and the Government included the World Bank programme in the exercise. In the same country, the United Nations system

(UNDP, UNFPA, UNICEF, WHO) initiated a multi-donor evaluation of the national AIDS programme as an input to the formulation of the next medium-term AIDS plan.

Use of evaluation results by the United Nations system

184. There have been external evaluations of five agencies during the last three years: IFAD, UNCTAD, UNICEF, UNFPA and WFP. They contain a variety of substantive and managerial conclusions and recommendations, some of which recognize the tensions within the system.

185. For the purpose of the present review, it is pertinent to note that the actions urged by an external evaluation requested by one part of the system may well clash with the decisions of the General Assembly seeking to promote a more unified, cost-effective and integrated approach to operational activities.

4. Common premises and common services

186. JCGP has expressed strong support for the proposal to co-locate United Nations organizations and services. Moreover, in paragraph 49 of its resolution 47/199, the General Assembly requested the Secretary-General to ensure that the operational activities of the United Nations development system carried out in new recipient countries were undertaken from the outset on the basis of an integrated, unified, cost-effective and innovative approach to development cooperation and presence in the countries concerned.

187. While welcoming the decision of JCGP to set a target date for this exercise, the General Assembly in resolution 47/199 emphasized that that process should be achieved in cooperation with host Governments in a way that increased efficiency, such as by means of the consolidation of administrative infrastructures of the organizations concerned, and with no financial increase in the cost of operations either to the United Nations system or the host developing country. JCGP and its subgroup on common premises and common services have taken the lead in developing and expanding common premises and common services.

188. The lack of progress in achieving common premises was a concern expressed by some donors in reply to the review. While they recognized the practical and logistical difficulties of placing all United Nations offices in a single premise, they noted that there was an unjustified reluctance in some cases. They pointed out that the long-term benefits of common premises far outweighed the apparent advantages of independence both for individual agencies and for the United Nations system as a whole. They noted that host countries should take a firmer line with the United Nations system regarding that goal. At the same time, they understood that progress on the matter of premises will depend on availability of financial resources.

189. The current situation on the use of common premises as reported by the resident coordinators shows that common premises for United Nations system organizations are found in 47 per cent of the countries in Asia, 33 per cent in Eastern Europe, 21 per cent in Latin America and 28 per cent in Africa. The situation of common premises for JCGP organizations only differs slightly:

common premises have been achieved in 33 out of 92 countries (36 per cent). With regard to regional distribution, the figure for JCGP organizations in Latin America is 50 per cent, with the figures for the other regions approximately the same as the figures for common premises for United Nations system organizations cited above.

190. Moreover, the resident coordinator responses show that the sharing of common services is more frequent than common premises, since in 56 per cent of the countries there is some kind of sharing of services (with strong geographical differences: 73 per cent in Asia, 60 per cent in Africa, 40 per cent in Eastern Europe and 20 per cent in Latin America). These responses may be less reliable than for common premises, since the nature of the services shared may vary extensively from one country to another.

191. Asked whether there was any evidence that common premises increased the efficiency and coherence of the United Nations system performance and led to financial savings, 26 per cent of the resident coordinator responses reported that sharing of common premises and services would reduce communication costs; 65 per cent expected that it would yield economies of scale; 18 per cent felt that contacts among United Nations agencies would be easier; but only 10 per cent believed that it would increase security. On that point, it should be noted that the analysis undertaken by JCGP in January 1994 demonstrated a significant cost benefit when comparing expenses for consolidated premises against expenses associated with separately renting field offices. The analysis showed that JCGP agencies could save an estimated $1.3 billion over a 20-year period (1996-2013) if United Nations system common premises were established under the ownership/leasehold modality (free donation of land by host Governments for the construction of such premises, a fixed-term lease to the developer, and, at the expiry of the lease, ownership of the premises by the United Nations system). In 1994, the Secretary-General, in his report to the Economic and Social Council on progress on the implementation of General Assembly resolution 47/199 informed the Council (E/1994/64, para. 105) that the JCGP High-level meeting held in Dhaka, Bangladesh, from 6 to 8 February 1994 had agreed that United Nations system common premises would be constructed under that ownership/leasehold modality.

192. As an initial approach, JCGP has agreed to establish a jointly funded unit. UNDP will ensure the day-to-day operations of the unit. The JCGP subgroup will provide oversight. The staffing of the unit and start-up funds will be provided by UNDP, UNFPA and UNICEF initially. Other agencies, as and when they participate, will be expected to pay their pro-rata share of the construction costs, including start-up costs, such as the preparation of space programme reports and site and soil surveys.

193. The General Assembly, in its resolution 48/209 of December 1993, stipulated that the United Nations development system organizations should pursue the establishment of common premises at no additional cost to host Governments on United Nations organizations. The JCGP subgroup has thus decided to focus the reform on the establishment of common premises in high-cost countries, where new premises would result in lower monthly charges and facilitate the consolidation of administrative infrastructures. To plan the activities of the subgroup, a list of priority countries for 1995-1997 has been drawn up. It includes the

following: (a) Africa: Mozambique, Namibia, Senegal and South Africa; (b) Latin America: Bolivia, Brazil, Ecuador and Haiti; (c) Arab region: Syrian Arab Republic and Morocco; (d) Asia and the Pacific: Bangladesh, Pakistan, Lao People's Democratic Republic and Cambodia; (e) Europe and Commonwealth of Independent States (CIS): Kazakstan. In other locations, opportunities for economies of scale will be sought and implemented on a case-by-case basis, whenever feasible. All projects will be jointly funded and private sector funding will be sought using the ownership/leasehold modality for the construction of new United Nations system common premises or the rehabilitation/ alteration of buildings provided by Governments.

194. In the CIS countries, Governments, in compliance with the provisions of the signed standard basic agreement, have each agreed to provide and have identified a building to house the United Nations system on a rent-free basis; however, the costs of the renovation to convert such buildings into functional offices will have to be borne by the participating agencies, based on the office area to be occupied. Again, UNDP as the executing agency will oversee the implementation of each project.

195. Moreover, UNDP, UNFPA and UNICEF have set up capital reserves for office premises. JCGP members have the option to evaluate in each case whether funding from their available internal resources or private-sector funding is more advantageous. WFP, which does not have such a fund, is not in a position to contribute to capital outlays but will participate through the payment of rent to meet its share of the costs.

196. Some agencies have pointed out that they currently benefit from rent-free accommodation in their host countries and are often located in the premises of the concerned ministry: common premises could thus lead to incurring additional expenses. Any move to common premises is therefore being reviewed to ensure that potentially higher costs are matched by increased efficiency and other benefits.